SENATE BILL REPORT SB 6106

As of January 16, 2012

Title: An act relating to increasing the allowable electrical generating capacity of a net metering system owned by a municipality located east of the crest of the Cascade mountains to two megawatts.

Brief Description: Increasing the allowable electrical generating capacity of a net metering system to two megawatts.

Sponsors: Senator Hewitt.

Brief History:

Committee Activity: Energy, Natural Resources & Marine Waters: 1/16/12.

SENATE COMMITTEE ON ENERGY, NATURAL RESOURCES & MARINE WATERS

Staff: William Bridges (786-7416)

Background: Net Metering. Net metering allows electricity customers to offset their consumption of purchased electricity with electricity generated by their own small-scale renewable systems. Under current law, a net metering system must be located on a customer's premises and must generate no more than 100 kilowatts (kW) using cogeneration, fuel cells, water, wind, solar energy, or biogas.

<u>Population of Municipalities in Eastern Washington.</u> According to the 2010 United States (U.S.) census, two cities in Eastern Washington have populations between 31,000 and 32,000: Walla Walla and Wenatchee.

<u>Investor-Owned Utilities (IOUs).</u> In Washington, the term IOU generally refers to privately-owned, for-profit utilities that are regulated by the Washington Utilities and Transportation Commission (UTC). There are three IOUs in Washington that provide electric service: Avista, PacificCorp, and Puget Sound Energy. PacifiCorp serves Walla Walla; Wenatchee does not receive electric service from an IOU.

Summary of Bill: <u>Increasing the Capacity Size of Certain Net-Metered Systems.</u> The capacity size of a net metered system is raised from 100 kW to 2 megawatts (MW) for a facility that meets the following criteria: (1) the facility generates electricity using water; (2) the facility has a generating capacity up to 2 MW; (3) the facility is owned and operated by

Senate Bill Report -1 - SB 6106

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an Eastern Washington municipality with a population between 31,000 and 32,000 based on the 2010 U.S. census; and (4) the facility is served by an IOU regulated by the UTC.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Senate Bill Report - 2 - SB 6106